

Amendment  
Serial No. 10/029,829

Docket No. PHUS 010719

### REMARKS

Reconsideration and withdrawal of all grounds of rejection contained in the Office Action are respectfully requested in light of the above amendments and the following remarks. Base claims 1, 9 and 17 have been amended, no new matter has been added, support for these amendments can be found at least in FIG. 2 and the specification on page 2, lines 2-7. Claims 1-21 are pending herein.

Claims 1, 2, 4, 6-10 and 12-16 stand rejected under 35 U.S.C. §102(e) as allegedly being anticipated by Ishiyama (U.S. Patent Application Publication No. 2001/0008544). Claims 3-5 and 11 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over Ishiyama in view of Reininger et al. (U.S. Patent No. 5,426,463). Claims 17-21 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over Ishiyama.

Base claim 1 has been amended to recite (*inter alia*): ... adjusting the complexity of said encoder based on said comparison outcome *according to a predetermined encoding configuration table, said configuration table using a plurality of complexities and encoding options*. Base claims 9 and 17 recite similar limitations.

Applicants respectfully submit that Ishiyama and Reininger, alone or in combination, does not disclose, suggest, or provide the above limitations. Although, Reininger teach the use of a frame adaptive quantization table, it does not use a plurality of complexities and encoding options, as claimed in the present invention.

Amendment  
Serial No. 10/029,829

Docket No. PHUS 010719

Accordingly, it is respectfully submitted that at least for the reasons indicated above, amended base claims 1, 9 and 17 are patentable. With regard to the rejection under 35 U.S.C. §102(b), the Court of Appeals for Federal Circuit has held that:

A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.

*Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628,631, 2 USPQ2d 1051, 1053 (Fed. Cir. 1987).

In the present application, it is respectfully submitted that Ishiyama and Reininger, alone or in combination, fail to disclose each and every element as set forth in base claims 1, 9 and 17. Nor would a person of ordinary skill in the art have found any of the instant claims obvious in view of Ishiyama and Reininger, alone or in combination.

Amendment  
Serial No. 10/029,829

Docket No. PHUS 010719


For all the foregoing reasons, it is respectfully submitted that all the present claims are patentable in view of the cited references. A Notice of Allowance is respectfully requested.

Respectfully submitted,

Russell Gross  
Registration No. 40,007

Date:

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By: Steve Cha  
Attorney for Applicant  
Registration No. 44,069

**Mail all correspondence to:**  
Russell Gross, Registration No.  
US PHILIPS CORPORATION  
P.O. Box 3001  
Briarcliff Manor, NY 10510-8001  
Phone: (914) 333-9631  
Fax: (914) 332-0615